Per Verlen at BLM: Spud 1-30-25 Compl 3-21-27 Phid 11-27-29 no production Osc

MEMO TO THE COMMISSION:

The following report is to be considered an updating of information on the various wells in the Cane Creek Area. Since I discovered recently that the old MGM well #2, with rods and pump over the hole, was periodically blowing out thru the stuffing box, I was prompted to check all the wells with this report the result.

The MGM # 1 well has a fish at about 1200 feet. An unsucessful attempt was made by Transcontinental Oil Corp. to pull this fish in the early part of 1960. Later approximately 1200 feet of 5 ½ inch casing was reportedly pulled from this well and removed from the location. Since no bond had been secured for the pulling of this casing, an injunction was obtained to prohibit further operations. The well now stands open in a 5 feet cellar. This well, I understand, is on a State lease.

The MGM # 2 well was the most recently worked well in this area. Monty Mason was attempting to sustain production from this well at the time of his incarceration. Transcontinental Oil Corp. Tried unsucessfully to obtain production as well as Mr. William Beckham of Calgary, Canada. This well has a pump jack setting over the hole and rods in the well. Some time ago Mr. Joe Harsted, USGS Engineer and myself placed a Federal seal on this well. Later I visited the well and noticed fresh oil on the ground and pump jack and concluded that someone had been fooling around with the pump. On March 21, I was visiting this location and hear the well bubbling around the stuffing box. The well began blowing out thru the stuffing box and blew oil about 20 feet into the air for about 15 to 20 minutes. This then accounted for the fresh oil I had seen previously. As can be seen from the photograph of this well, the oil is over flowing the area, and running into a pit below. Since this well remains unattended I recommend that some steps be taken to stop this frequent blowing out. This well is on a Federal lease which, I understand, has been cancelled.

The Texas Gulf Producing Company's Federal 1-X was plugged properly and abandoned until early in 1960 Transcontinental Oil Corp. obtained permission and reentered this hole. An attempt was made to obtain production from

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a Middle Paradox Salt section. The attempt was unsuccessful Transcontinental Oil orp then moved the rig off and has done nothing to the well since. The large casing is standing in a deep cellar which has some oil and dried grass in it. This well constitutes a hazard mainly because of the large open casing protruding up. I would recommend that some steps be taken to either plug this well or at least provide protection from anything or anybody getting into this casing.

The Midwest Oil Co. Cane Creek # 1 near the river was onec plugged by the U.S. Army Corp of Engineers. This well has a valve on it and will blow oil and gas as shown in the photograph when opened.

The Americal Co Cane Creek # 1, near the river, has apparently began seeping oil. I visited this location several months ago and the cellar and holewere completely dry. March 22, I visited this well to take pictures and found that the well has began seeping oil ***xix** and is slowly filling cellar. If the oil should reach a sufficient quantity to overflow the cellar, the oil will promptly flow into the Colorado River. The well is approximately 25 yards from the river. I recommend that, since the well has begun to seep oil, that some steps be taken to shut off the seepage.

The Cane Creed Oil Co. 's Cane Creek # 1 is standing opend hole in a five feet cellar. The cellar and hole are dry as con be seen in the photograph.

Note: Since the records on all of these well are vague, I am not sure the names shown in this report are the exact names of the wells, however for the sake of clarity and understanding, I have given the names as best of my knowledge and associated each offe them with the corresponding photographs, which are a part of this report.

HARVEY L COONTS
PETROLEUM ENGINEER

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January 5, 1970

MEMO FOR FILING

Cane Creek Area
Grand County, Utah
Midwest #/

On December 10, 1969, the above mentioned area was visited.

Last Friday, the J.D. Construction Company completed the extra pits requested by the Federal Water Pollution Control Administration. Pat Patterson moved in the derrick and equipment and began laying 600' of mud line over the cliff.

At the time of the visit, the crew was in the last stages of lowering the pipe. They hooked up the line to the mud pump and attempted to pump mud down the 1" pipe cemented in the 6" casing string. The pump pressure increased immediately and only two barrels of mud were injected.

It should be noted, that the middle well along the bank of the river, which was the first in a series of wells to be plugged, was not the Mason well as the footage records indicate but the Midwest well drilled in 1929.

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PAUL W. BURCHELL CHIEF PETROLEUM ENGINEER

PWB: jw

cc: U.S. Geolgical Survey

January 5, 1970 MEMO FOR FILING Cane Creek Area Midwest #1

Sec. 31, T. 26 S., R. 21 E., Grand County, Utah

On December 11, 1969, the above named well was visited.

A back hole was brought in and the operator dug a ditch from the Midwest #1 well to the newly constructed pits. Also, a 5" pipe with a valve was layed in the pit to insure a static fluid level in the the pit; should a blow-out occur.

The cellar was then pumped free of the fluid and five strings of pipe were observed, 20", 15", $12\frac{1}{2}$ ", 10" and 6" strings. The records indicate there is also a 8" pipe but this was not visible at the surface. It was further learned that the salt water seepage is coming from outside the 20" conductor string. Hooked up the mud pump to the 3" plug between the $12\frac{1}{2}$ " and the 10" casing annulus and pumped in mud at 1,200 psi. Although no mud returns were noticed, pressure communications were made because of a large paratin plug popped out of the 1" pipe between the 10" and the 6" casing string annulus. It should be noted that the 1" in the 6" string was no longer bleeding gas and oil.

> PAUL W. BURCHELL CHIEF PETROLEUM ENGINEER

PWB:jw

January 5, 1970 MEMO FOR FILING Cane Creek Area Midwest #1 Sec. 36, T. 26 S., R. 21 E., Grand County, Utah On December 12, 1969, the above named well was visited. Nippled-up to plug in 15" and $12\frac{1}{2}$ " annuluses and ran mud in on vaccum. Mud returns were observed at the surface but the ten pound mud could not kill the nine pound salt water. It should be noted, that the 15" is set at 891' and the $12\frac{1}{2}$ " at 1,408', therefore, circulation was made at a depth of 891' down the annulus of the 15", up the outside of the $12\frac{1}{2}$ " and up the outside of the 20" to the surface. It was reported by the Federal Water Pollution Control Administration that the total fluid flow of the Midwest and Mason wells was 125 gallons per minute or three barrels per minute of 125,000 parts per million of Na Cl. This is the equivalent of 90 tons of salt being dumped into the Colorado River per day. PAUL W. BURCHELL CHIEF PETROLEUM ENGINEER PWB:jw c.c: U.S. Geological Survey

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January 5, 1969

MEMO FOR FILING

Cane Creek Area
Midwest #1
Sec. 36, T. 26 S., R. 21 E.,
Grand County, Utah

On December 15, 1969, the above mentioned well was visited.

Most of the day was spent by the contractor weighting mud to 11 pounds and doing maintenance work on the pump.

PAUL W. BURCHELL CHIEF PETROLEUM ENGINEER

PWB:jw

cc: U.S. Geological Survey

January 5, 1970

MEMO FOR FILING

Cane Creek Area

Midwest #1

Sec. 36, T. 26 S., R. 21 E.,

Grand County, Utah

On December 16, 1969, the above well was visited.

The 11 pound mud was again injected into the 15" and the $12\frac{1}{2}$ " annuluses and the well was killed after 90 barrels had been injected.

PAUL W. BURCHELL CHIEF PETROLEUM ENGINEER

PWB:jw

cc: U.S. Geological Survey

January 5, 1970 MEMO FOR FILING Cane Creek Area Midwest #1 Sec. 36, T. 26 S., R. 21 E., Grand County, Utah On December 17, 1969, the above mentioned well was visited. Halliburton arrived and proceeded to pump 240 barrels of cement down the 15" and the $12\frac{1}{2}$ " annuluses and circulated it up the outside of the 15" and the 20" strings to the surface. All sides of leakage were stopped. It should be noted, that it has been determined that the water flow was coming from a zone in the Hermosa Formation at a depth of about 400', therefore, a plug should be across the face of the aquifer. PAUL W. BURCHELL CHIEF PETROLEUM ENGINEER PWB:jw cc: U.S. Geological Survey

January 6, 1970 MEMO FOR FILING Midwetk Cane Creek Area Mason #1 Sec. \$2, 2: 26 S., R. 21 E., Midwest #1 Sec. 86, Y. 26 S., R. 21 E., Grand County, Utah On December 22, 1969, the above area was visited. Both Mr. Feight and myself visited the above well locations and observed that Mr. Pat Patterson was in the process of running tubing in the flowing (115 GWPM) well. Pat informed us that he had completed squeesing coment in all annuluses of the nearby Midwest well and no further leaking could be observed. Circulation of coment was necessary since entry into the 6" casing was impossible due to surface coment plug. At the time of the visit, Mr. Peight informed the Federal Water Poliution Control Administration representatives that a letter would be forthcoming from the Industrial Commission recommending that federal personnel stay a minimum of 100 yards from the work being conducted on the CaneCreek Wells. PAUL W. BURCHELL CHIEF PETROLEUM INGINIER PWB:iw ce: U.S. Geological Survey State Land Board

January 13, 1970

MEMO FOR FILING

Re: January 6, 1970

Manual Creek Area

Shafer #1 Midwest #1 Mason #1

Sec. 31, To 26 So, Ro 21 Eo,

Grand County, Utah

An inspection was made of all these wells located along the Colorado River, and it was observed that no futher leaking was taking place.

All wells have been plugged, identified, regulation markers installed, cleaned and leveled.

PAUL W BURCHELL CHIEF PETROLEUM ENGINEER

PWB:jw

cc: U Geological Survey

State Land Board

STATE OF UTAH N OF OIL, GAS AND MINING (OIL AND GAS INSPECTION RECORD

OPERATOR: MIDWEST EXPLORATION CO

LEASE: U-026375

WELL NAME: FEDERAL #1

API:

43-019-11581

037

SEC/TWP/RNG: 31 26.0 S 21.0 E CONTRACTOR:

COUNTY: GRAND

FIELD NAME: WILDCAT

DRILLING/COMPLETION/WORKOVER:

APD

_ HOUSEKEEPING WELL SIGN POLLUTION CNTL

BOPE PITS

SAFETY OPERATIONS

OTHER

SHUT-IN _ / TA _: HOUSEKEEPING

EQUIPMENT *

_ SURFACE USE

SAFETY

ABANDONED: Y MARKER

N HOUSEKEEPING

N REHAB

OTHER

PRODUCTION:

_ HOUSEKEEPING .

_ EQUIPMENT *

_ FACILITIES *

WELL SIGN _ HOUSEKE METERING * _ POLLUTE SECURITY _ SAFETY

_ POLLUTION CNTL

_ PITS OTHER

DISPOSAL

_ VENTED/FLARED

GAS DISPOSITION:

_ SOLD

_ LEASE USE

LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

*FACILITIES INSPECTED:

LOC., MKR..

REMARKS:

P&A, SOME BUILDINGS, FOUNDATIONS, AND RUBBISH STILL ON LOC., OPR. IS DEFUNCT. APPROACH ROAD IS NOT PASSABLE.

ACTION:

P&A IS ACCEPTABLE UNDER THESE CIRCUMSTANCES.

INSPECTOR: CHRIS KIERST

DATE: 06/06/91